

# Welcome to your CDP Water Security Questionnaire 2020

## W0. Introduction

### W0.1

#### **(W0.1) Give a general description of and introduction to your organization.**

Cigna Corporation, together with its subsidiaries (either individually or collectively referred to as “Cigna,” the “Company,” “we,” “our” or “us”) is a global health service organization with a mission to help improve the health, well-being and peace of mind for those we serve.

Cigna delivers choice, predictability, affordability and access to quality care through integrated capabilities and connected, personalized solutions that advance whole person health. We offer a differentiated set of pharmacy, medical, dental, disability, life and accident insurance and related products and services offered by our subsidiaries.

As of December 31, 2019, our total assets were \$155.7 billion and shareholders’ equity was \$45.3 billion. In 2019, we reported revenues of \$153.6 billion. Our revenues are derived primarily from our pharmacy benefits management, premiums on insured products, and fees for products and services provided to self-insured plans.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Forward-looking statements are based on Cigna's current expectations and projections about future trends, events and uncertainties. You may identify forward-looking statements by the use of words such as “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “may,” “should,” “will” or other words or expressions of similar meaning, although not all forward-looking statements contain such terms. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance or results, and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including those contained in Cigna's Annual Report on Form 10-K for the year ended December 31, 2019 and Cigna's other filings with the U.S. Securities and Exchange Commission. Cigna undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law. The characterization of items identified throughout this report as “material” should not be construed as a statement by Cigna that the item is material for purposes of U.S. securities laws.

### W0.2

#### **(W0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date
Reporting year	January 1, 2019	December 31, 2019

## W0.3

**(W0.3) Select the countries/areas for which you will be supplying data.**

United States of America

## W0.4

**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## W0.5

**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

Companies, entities or groups over which operational control is exercised

## W0.6

**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

Yes

## W0.6a

**(W0.6a) Please report the exclusions.**

Exclusion	Please explain
International Operations	We do not currently have complete water consumption data for our international properties, including those where we have leased office space.
Partial domestic operations	We do not currently have complete water consumption data for some of our smaller domestic properties, including those where we have leased office space.

## W1. Current state

### W1.1

**(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.**

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Vital	<p>As a health services company, we take a precautionary approach to our environmental sustainability efforts, believing that environmental stewardship has a health impact and also makes sound business sense as we strive to identify new efficiencies and make strategic investments that reduce our environmental impacts and our operating costs.</p> <p>In addition to reducing our environmental footprint, we are focused on helping to increase community resilience against climate and environmental risks in the markets we serve. We actively engage with our employees, communities, customers, and leading experts on the intersection between climate change, planetary health, and human health.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Not important at all	Important	We have identified the sufficiency as recycled, brackish, and/or produced water as not applicable to our direct operations but important to our indirect operations and value chain.

## W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	In 2019, our boundary excluded international operations and smaller domestic locations where data is not currently available.
Water withdrawals – volumes by source	76-99	In 2019, our boundary is exclusively based on municipal water withdrawals.
Water withdrawals quality	76-99	As part of Cigna's Strategic Sustainability Performance Plan and health and safety program, we monitor the quality of water that is withdrawn to maintain our facilities.

		We do not operate in any locations where water quality is a known risk.
Water discharges – total volumes	76-99	<p>We estimate water discharges based on our water withdrawals at properties.</p> <p>Cigna's operational water use is primary based on cooling towers, condenser systems, landscaping, irrigation, and employee restrooms at applicable properties.</p>
Water discharges – volumes by destination	Not relevant	In most instances, water discharges are believed to be returned to the source, namely sewers for our withdrawals of municipal water.
Water discharges – volumes by treatment method	Not relevant	In most instances, treatment methods would be applicable to local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water.
Water discharge quality – by standard effluent parameters	Not relevant	In most instances, discharge quality (including standard effluent parameters) would be addressed by local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water.
Water discharge quality – temperature	Not relevant	In most instances, discharge quality (including temperatures) would be addressed by local municipalities once our water withdrawals are returned to the source, namely sewers for our withdrawals of municipal water. Buildings that have chillers and cooling towers, lower the effluent water temperature where present.
Water consumption – total volume	76-99	In 2019, our boundary is exclusively based on municipal water withdrawals. Water consumption is estimated based on the return of municipal water withdrawals to sewers.
Water recycled/reused	Not monitored	We do not currently measure the amount of water that is recycled or re-used, but continue to evaluate opportunities for water recycling and re-use within our global real estate portfolio.
The provision of fully-functioning, safely managed WASH services to all workers	100%	In alignment with our values, mission and comprehensive health and safety program, we ensure that all Cigna workers have access to safe, well-functioning services for proper on-the-job sanitation and hygiene.

		<p>Please note that our global real estate is primarily comprised of high quality, commercial office space. For example, Cigna has 21 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.</p> <p>Also, we do not operate in locations where access to WASH services is a known risk.</p>
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## W1.2b

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	1,700	Much higher	In 2019, Cigna's total water withdrawals were much higher due to (1) the integration of the Express Scripts and affiliate locations into our data boundary, and (2) increased availability of water usage data across our portfolio of legacy Cigna properties.
Total discharges			We do not currently calculate our water discharges. In most instances, water discharges are believed to be returned to the source, namely sewers for our withdrawals of municipal water.
Total consumption			Cigna does not measure total consumption at present. However, our consumption is less than our water withdrawals, which are 1,700 megaliters.

## W1.2d

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain

Row 1	Yes	26-50	This is our first year of measurement	WRI Aqueduct	<p>In 2020, we conducted our first global water risk assessments at the property level, which reflects Cigna’s entire real estate portfolio and is inclusive of our combination with Express Scripts and its affiliates.</p> <p>The reported percentage of water withdrawn from areas with water stress is based on the properties with “high” or “extremely high” stress using the WRI Aqueduct tool.</p> <p>Other identification tools used are: United Nations Environmental Program (UNEP) Global Risk Data and The Federal Emergency Management Agency (FEMA) Flood Zone and WWF Water Risk Filter.</p>
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## W1.2h

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant			In 2019, the use of fresh surface water was not material within our data boundary. (If measured, we estimate that any applicable 2019 water withdrawals would be less than 1 megaliter.)
Brackish surface water/Seawater	Not relevant			There are no known instances where Cigna currently uses brackish surface water or seawater

				in our global real estate portfolio, which is comprised primarily of offices, data centers, and distribution centers.
Groundwater – renewable	Not relevant			In 2019, the use of groundwater was not material within our data boundary. (If measured, we estimate that any applicable 2019 water withdrawals would be less than 1 megaliter.)
Groundwater – non-renewable	Not relevant			In 2019, the use of groundwater was not material within our data boundary. (If measured, we estimate that any applicable 2019 water withdrawals would be less than 1 megaliter.)
Produced/Entrained water	Not relevant			There are no known instances where Cigna currently uses produced or entrained water. We are not engaged in manufacturing activities. Our global real estate portfolio is comprised primarily of offices, data centers and distribution centers.
Third party sources	Relevant	1,700	Much higher	In 2019, our water boundary is based on municipal water withdrawals.  The increase in 2019 water consumption reflects Cigna’s combination with Express Scripts and its affiliates.

## W1.4

### (W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

### (W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

#### Row 1

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#### % of suppliers by number

None currently, but we plan to request this within the next two years

#### Rationale for this coverage

All suppliers are expected to comply with all applicable environmental laws and regulations. Additionally, we request that our suppliers read and comply with our Supplier Code of Ethics, which contains a section on “Integrity in the Environment”. Our Environmental Policy Statement also addresses our supply chain.

That said, at present we do not currently request supplier data regarding water use, risks, or managements on a formalized basis.

The impact of our engagement and measures of success are the following: We are primarily focused on identifying suppliers to help reduce Cigna reduce its own water footprint. Measures of success include Cigna’s investments in and estimated water savings in efficient cooling systems, condensers, fixtures, and irrigation systems.

#### Comment

In 2019, Cigna procured more than \$5 billion in goods and services from over 13,000 suppliers globally in support of our information technology, operations, and internal corporate functions.

Cigna also maintains a Supply Chain and Drug Procurement organization that is responsible for pharmacy network contracting, pharmaceutical and wholesaler purchasing, and manufacturer rebate contracting for our pharmacy benefits business.

## W1.4b

### (W1.4b) Provide details of any other water-related supplier engagement activity.

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#### Type of engagement



Onboarding & compliance

**Details of engagement**

Requirement to adhere to our code of conduct regarding water stewardship and management

Other, please specify

Business continuity planning

**% of suppliers by number**

76-100

**% of total procurement spend**

76-100

**Rationale for the coverage of your engagement**

All suppliers are expected to comply with all applicable environmental laws and regulations.

Additionally, we request that our suppliers read and comply with our Supplier Code of Ethics, which contains a section on “Integrity in the Environment”. Our Environmental Policy Statement also addresses our supply chain.

All vendors identified as essential to business continuity are also included in our Business Continuity Plan, which is updated annually.

Additionally, we engage in full business reviews of suppliers where we may consider hurricane and drought risks in addition to numerous other factors.

**Impact of the engagement and measures of success**

The greatest impact is our ability to help support our customers when extreme weather events, including hurricanes, strike.

We must be prepared to provide our services and offer our products virtually without fail.

Measures of success consider the level of support and partnership from key vendors for our Business Continuity Plan program.

**Comment**

Cigna’s Business Continuity and Data Center Recovery plans sets forth procedures for data recovery, continuation of business functions, and the use of supporting technology to recover critical business processes.

The plans are updated and documented annually. Cigna’s Data Center Recovery plans are tested routinely with end-user evaluations of the restored systems as part of the testing protocol. Cigna’s enterprise-wide recovery strategies are also tested on an annual basis.

## W1.4c

### **(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?**

**METHODS OF ENGAGEMENT:** We engage with customers and the general public on the importance on preventive care, which can avoid the need for medical services altogether. While not our primary objective behind this engagement method, preventive care can help to save lives and also avoid water consumption associated with medical procedures, surgery and pharmaceuticals.

We encourage customers to opt-in to receiving paperless Explanation of Benefits, which helps to reduce water consumption from the production of paper, and protect the role of forests in carbon capturing and regulating the health of ecosystems.

We also support local environmental projects as part of our employee GreenSTEPS program. In addition to being internal advocates, our GreenSTEPS members also engage with their communities and our markets through local environmental projects.

Additionally, Cigna has been a member, since inception, of the UN Global Compact's "Health is Everyone's Business" Action Platform. The platform convenes a broad coalition of stakeholders that is focused on advancing human health by addressing health determinants related to climate, water and the environment. In 2020, this workstream is becoming integrated within the UN Global Compact's Climate Action platform.

**MEASURES OF SUCCESS:** Examples of measures of success include number of clients, customers, employees and communities reached.

**IMPACT ACHIEVED:** Over the past four years, the Health Improvement Tour has also visited over 135 cities and nearly 45,000 free biometric screenings and health coaching to local communities across the U.S. We estimate 50 million paper statements and envelopes are avoided annually by providing customers with paperless options. Cigna's GreenSTEPS teams have also volunteered their time to help build the city of Hartford's first production-scale aquaponics system, which is near our corporate headquarters and was supported by a Cigna Foundation grant.

## W2. Business impacts

### W2.1

#### **(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

### W2.2

#### **(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

## W3. Procedures

### W3.3

**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

### W3.3a

**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

#### Direct operations

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##### Coverage

Full

##### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

##### Frequency of assessment

Every three years or more

##### How far into the future are risks considered?

More than 6 years

##### Type of tools and methods used

Tools on the market

Enterprise Risk Management

##### Tools and methods used

Ecolab Water Risk Monetizer

WRI Aqueduct

WWF Water Risk Filter

COSO Enterprise Risk Management Framework

Other, please specify

United Nations Environmental Program (UNEP) Global Risk Data and The Federal  
Emergency Management Agency (FEMA) Flood Zone and Internal Company  
Methods

##### Comment

Cigna recently completed a comprehensive water risk assessment which covered our entire global real estate portfolio, including Cigna's offices, claim/call centers, data centers, clinics, distribution centers, pharmacies, parking, storage facilities, and airplane hangars.

We assessed both current and future risks across numerous dimensions, including: (1)

current water stress, (2) future water stress, (3) business significance of location, (4) size of location, (5) seasonable variability, (6) drought risk, (7) flood risk, (8) hurricane and cyclone risk and (9) pricing risks.

## Supply chain

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### Coverage

Partial

### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

### Frequency of assessment

More than once a year

### How far into the future are risks considered?

More than 6 years

### Type of tools and methods used

Other

### Tools and methods used

Other, please specify

Third-party supply chain risk management system

### Comment

We utilize a third-party risk management software platform to proactively monitor supply chain risks. Our supplier risk assessment evaluates 17 dimensions of risk.

We also utilize an “early warning system” that allows us to identify and address emerging risks among suppliers.

Based on the assessment results, select suppliers’ internal controls and compliance obligations under their contractual agreement(s) with Cigna are audited. All audit findings are reviewed and analyzed for discrepancies.

If discrepancies are found, we then work with suppliers to develop and implement corrective action plans as warranted.

## Other stages of the value chain

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### Coverage

Partial

### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

### Frequency of assessment

More than once a year

**How far into the future are risks considered?**

More than 6 years

**Type of tools and methods used**

Tools on the market

**Tools and methods used**

Ecolab Water Risk Monetizer

**Comment**

As a health services company, we are highly focused on monitoring the linkages between water access, water quality, and human health.

As part of our company-wide water assessment, we utilized Ecolab’s Incoming Risk Likelihood Score, which places a monetary value on the local environmental, human health, and domestic supply impacts of water depletion and the future costs of incoming water.

Environmental risks, including those associated with our downstream value chain, is also now an explicit risk within Cigna’s enterprise risk register, which is formally reviewed on a quarterly basis.

**W3.3b**

**(W3.3b) Which of the following contextual issues are considered in your organization’s water-related risk assessments?**

	<b>Relevance &amp; inclusion</b>	<b>Please explain</b>
Water availability at a basin/catchment level	Relevant, always included	We assess current water availability and quality parameters at the basin level, considering stress and seasonal variations, using the WRI Aqueduct tool.
Water quality at a basin/catchment level	Relevant, always included	We assess current water availability and quality parameters at the basin level, using the Ecolab Water Risk Monetizer’s Water Risk Premium.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, included	Based on our assessment of Cigna’s potential water risks over the next five years, we do not currently believe that stakeholder conflicts concerning water is a relevant contextual issue at this time.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	Because we don’t manufacture products, key commodities or raw materials are not directly applicable to Cigna.  Within our supply chain, we procure goods and services to support Cigna’s information technology, operations activities, and internal corporate functions. (Generally, our most critical suppliers – notably information technical

		<p>suppliers – are not highly water intensive.)</p> <p>Cigna also maintains a Supply Chain and Drug Procurement organization that is responsible for pharmacy network contracting, pharmaceutical and wholesaler purchasing, and manufacturer rebate contracting for our pharmacy benefits business. (Water impacts within the product life cycle of pharmaceuticals are relevant.)</p>
Water-related regulatory frameworks	Not relevant, included	Based on our assessment of Cigna’s operational footprint and business model, we do not currently believe that water-related regulatory frameworks is a relevant contextual issue at this time.
Status of ecosystems and habitats	Relevant, always included	We consider risks related to ecosystems and habitats from a global perspective to be relevant to our business model as a health service business. Specifically, the status of ecosystems and habitats is relevant to future drug discoveries, the quality of food and soil, and broader climate-related risks.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	<p>In alignment with our values, mission and comprehensive health and safety program, we ensure that all Cigna workers have access to safe, well-functioning services for proper on-the-job sanitation and hygiene.</p> <p>Please note that our global real estate is primarily comprised of high quality, commercial office space. For example, Cigna has 21 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.</p> <p>Also, we do not operate in locations where access to WASH services is a known risk.</p>
Other contextual issues, please specify	Relevant, always included	<p>A contextual issue for Cigna is the nexus between climate, water, and human health.</p> <p>As a health services company, we are highly focused on monitoring the linkages between water access, water quality, and human health.</p> <p>We aim to serve as a connector and catalyst for change to protect global access to healthy air, water, soil, and food. Because we are keenly focused on the connection between planetary health and human health, we consider managing environmental risks and opportunities to be important to our business.</p>

		For example, climate change may present global public health challenges, such as those relating to extreme weather events, decreases in water supply, heat exposure, and declining crop yields.
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### W3.3c

**(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Customers	Relevant, always included	<p>We strive to consider all applicable stakeholders when assessing both water risks and opportunities.</p> <p>As a health services company, our customers are especially relevant due to the nexus between climate, water, and human health.</p> <p>Cigna also actively responds to RFPs and RFIs from our employer clients, providing information on our water strategy, performance, and targets.</p>
Employees	Relevant, always included	<p>We strive to consider all applicable stakeholders when assessing both water risks and opportunities.</p> <p>Employee engagement opportunities, including not but limited to Cigna's GreenSTEPS program, is currently our primary consideration.</p>
Investors	Relevant, always included	<p>We remain very focused on considering the needs and interests of our investors with regards to material environmental, social, and governance (ESG) topics (including water security and related risks and opportunities).</p>
Local communities	Relevant, always included	<p>We strive to consider all applicable stakeholders when assessing both water risks and opportunities.</p> <p>Local communities are extremely relevant because they most affected by issues regarding water access and quality.</p>
NGOs	Relevant, always included	<p>We continue the monitor activities and engage with leading NGOs with regards to water and broader environmental, social, and governance (ESG) topics.</p> <p>In our water risk assessment, we utilized tools from the World Resources Institute and United Nations Environmental</p>

		<p>Program.</p> <p>Cigna has been a member, since inception, of the UN Global Compact's "Health is Everyone's Business" Action Platform. The work of this coalition is focused on advancing human health by addressing health determinants related to climate, water, and the environment.</p>
Other water users at a basin/catchment level	Relevant, always included	<p>We strive to consider all applicable stakeholders when assessing both water risks and opportunities.</p> <p>However, please note that Cigna does not manufacture products, and is not a significant user of water in local markets.</p> <p>Our water footprint reflects Cigna's global real portfolio, which is primarily comprised of offices, data centers and distribution centers.</p>
Regulators	Relevant, always included	Environmental risks, including regulatory risks, is now an explicit risk factor, within Cigna's enterprise risk universe.
River basin management authorities	Not relevant, explanation provided	This stakeholder group is not currently relevant because Cigna is not a significant user of water in local markets. Our water discharges are also limited and not related to any manufacturing activities.
Statutory special interest groups at a local level	Not relevant, explanation provided	This stakeholder group is not currently relevant because Cigna is not a significant user of water in local markets. Our water discharges are also limited and not related to any manufacturing activities.
Suppliers	Relevant, sometimes included	Within our supply chain, we procure goods and services to support Cigna's information technology, operations activities, and internal corporate functions. (Generally, our most critical suppliers – notably information technical suppliers – are not highly water intensive.)
Water utilities at a local level	Relevant, always included	Consideration of potential risks for this stakeholder group is overseen by Cigna's Global Real Estate team and local property managers.
Other stakeholder, please specify	Relevant, always included	<p>Cigna also maintains a Supply Chain and Drug Procurement organization that is responsible for pharmacy network contracting, pharmaceutical and wholesaler purchasing, and manufacturer rebate contracting for our pharmacy benefits business. (Water impacts within the product life cycle of pharmaceuticals are relevant.)</p> <p>We also recognize that partnerships with physicians can be a</p>



	powerful accelerator to help combat big issues, as evidenced by Cigna's recent success in partnering with physicians to tackle opioid addiction and overdoses.
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### W3.3d

**(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

**LEVEL OF COVERAGE:** While Cigna is not a significant water user in local markets and our critical suppliers are generally not water intensive, we aim to consider water-related risks across our entire value chain. As a health services company, we take a precautionary approach to our environmental sustainability efforts, believing that environmental stewardship has a health impact and also makes sound business sense as we strive to identify new efficiencies and make strategic investments that reduce our environmental impacts and our operating costs.

**BOUNDARY AND TIME HORIZON:** We consider our entire global real estate portfolio, Cigna's supply chain and also potential downstream water risks associated with health services. While we consider risks and opportunities within and beyond a 10-year time horizon, we are primarily focused on a 5-year time horizon for water-related risks.

The geographic areas considered include all locations where our Company and its subsidiaries operate, with a focus on North America, where currently 90% of our revenues are derived.

**COMPANY-LEVEL RISKS:** At the company level, our Corporate Responsibility team maintains daily strategic oversight to identify and manage company-level risks that may impact our reputation, profitability and access to capital. Cross-functional perspectives from our Cigna Connects Corporate Responsibility Governance Council assist in the identification of company-wide market risks and opportunities related to water security. Our Cigna Connects Corporate Responsibility Governance Council contains representation from Cigna's Risk Management and Global Real Estate teams.

Our Risk Management team follows a formal, quarterly review process for physical, regulatory and business risks which includes, but is not limited to, pricing, supply chain and business continuity risks that could be on the horizon. Environmental risks, including those associated with water security, is now an explicit risk factor, within Cigna's enterprise risk universe, which is formally reviewed on a quarterly basis.

The quarterly review process considers Cigna's comprehensive risk universe of more than 400 topics. Material risks are shared with Enterprise Compliance, business leaders and reported up through the Audit Committee of the Board of Directors.

**ASSET-LEVEL RISKS:** At the asset level, risk assessments are conducted globally on a country-by-country basis. Each country reviews risks through the participation in regional risk management meetings, which are incorporated into enterprise-level risk review reports that are

shared and presented with our Enterprise Leadership and the Board. Additionally, our Cigna Global Real Estate team monitors regulatory risks, water consumption, and water costs for each facility utilizing our utility analysis software tool.

**DECISION MAKING PROCESSES:** The potential impacts related to climate and water-related risks and opportunities are discussed and reviewed by representatives from Cigna's Risk Management and Corporate Responsibility teams. We consider a range of physical climate risks, including changes in precipitation patterns and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, and (3) declining crop yields. In the short-term, extreme weather events have been prioritized as our greatest physical risk. We also consider how changes in physical and transition risks could also influence a series of socioeconomic challenges and opportunities that would likely impact the delivery of healthcare. Examples could include health and hygiene issues due to migration, malnutrition, and increases in water-borne and other diseases. Additionally, we consider how these negative societal and environmental impacts could present opportunities where Cigna, in particular, could provide products and services to help respond to these changes in physical climate parameters across the markets we serve. Examples related to water-related issues that have influenced our business strategy and planning process are as follows: (1) Cigna's establishment of environmental targets, (2) investments in water reduction projects to support our targets, (3) the pursuit of LEED® certifications, and (4) the identification of stakeholder engagement activities (including Cigna's GreenSTEPS employee engagement program and our participation in the UN Global Compact's "Health is Everyone's Business" Action Platform). Please note that Cigna is also in the process of identifying and setting next-generation targets for the year 2030, which will reflect our combination with Express Scripts and its affiliates, and will guide our company's water-related strategies over the next decade.

## W4. Risks and opportunities

### W4.1

**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, only within our direct operations

### W4.1a

**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

**DEFINITION OF SUBSTANTIVE IMPACT:** In our CDP 2020 Water response, we define risk as having a substantial financial and strategic impact using both qualitative and quantitative measures. Qualitative measures consider correlations to our business model, mission and value chain. Quantitatively, we generally consider a risk to be substantive based on a scenario where at least 1% of our net income could be impacted. In 2019, this threshold was approximately \$50 million.

**FACTORS CONSIDERED:** To determine whether a risk is substantive, the probability over a 5-year time horizon is the most significant factor. The second most significant factor is the frequency for risk. Extreme weather events and stakeholder interest in water stewardship, for example, are identified risks with high probability and frequency within the next 5 years.

We also consider the potential magnitude of water-related risks. We believe that risks at the nexus of climate, water, and human health have the greater potential magnitude over a time horizon longer than 5-years. However, we do not currently classify these risks as substantive due to the limited probability and frequency over a 5-year time horizon.

We then consider the totality of these factors and apply a value-based lens. For example, even Cigna’s current water costs are minimal in the context of our net income, we believe that increasing water efficiency at our facilities is very important. This is due to cost savings and risk mitigation opportunities, identified value to our stakeholders and alignment with our mission. Based on our prioritization, we have a Strategic Sustainability Performance Plan in place that includes formal policies on water consumption and related best practices.

At the local level, we also considered the following factors in our water assessment: business significance of location, size of location, current water stress, expected future water stress, seasonable variability, drought risk, flood risk, hurricane, and cyclone risk and pricing risks.

**METRICS USED:** Net income is used as the primary metric to contextualize risk thresholds because it is inclusive of Cigna’s value chain and our key stakeholders, including customers, suppliers, and employees.

To track our progress toward managing water-related risks, current metrics used include (1) water consumption, (2) water intensity, and (3) water consumption relative to our 2013 baseline.

Our current target is to achieve a 10% absolute reduction in water consumption from 2013-2020. Cigna is in the process of next-generation targets for the year 2030, which will reflect our combination with Express Scripts and its affiliates, and will guide our company’s water-related strategies over the next decade.

## W4.1b

**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	3	Less than 1%	Within our data boundary, there are three sites where (i) there is high or extremely high water stress, based on the WRI Aqueduct tool; (ii) high business significance was

			<p>identified; and (iii) where water consumption is material in the context of Cigna’s global real estate portfolio.</p> <p>These sites are located within the California River Basin, Lower Colorado River Basin, and South Atlantic Gulf Basin within the U.S.</p> <p>Please note that Cigna also maintains locations in the U.S. with extremely high water stress in the following river basins: the Missouri River Basin (where we have two sites), the Rio Grande River Basin (where we have two sites), the Texas Gulf Coast Basin (where we have five sites), and the Upper Colorado River Basin (where have one site). Additionally, we have one site within Spain’s Tagus river basin where extremely high water stress was identified.</p> <p>Additionally, locations with high water stress were identified domestically (in Florida, New York, New Jersey and Pennsylvania) and internationally (in Korea and the United Arab Emirates).</p>
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### W4.1c

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

**Country/Area & River basin**

United States of America  
 Other, please specify  
 California River Basin

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company’s total global revenue that could be affected**

Less than 1%

**Comment**

While Cigna’s has nearly 15 locations in the California River Basin, our call-claim center in Visalia, California has the highest risk due to its business significance and level of water consumption (relative to other Cigna locations).

This facility is currently identified as having “extremely high” water stress using the WRI Aqueduct Tool.

---

**Country/Area & River basin**

United States of America  
Other, please specify  
Lower Colorado River Basin

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company’s total global revenue that could be affected**

Less than 1%

**Comment**

While Cigna’s has nearly 30 locations in the Lower Colorado River Basin, our Cigna HealthCare of Arizona site, in Phoenix, Arizona, has the highest risk due to its business significance and level of water consumption (relative to other Cigna locations).

This facility is currently identified as having “extremely high” water stress using the WRI Aqueduct Tool.

---

**Country/Area & River basin**

United States of America  
Other, please specify  
South Atlantic Gulf Basin

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company’s total global revenue that could be affected**

Less than 1%

**Comment**

While Cigna’s has approximately 30 locations in the South Atlantic Gulf Basin, our call-center in Port St. Lucie, Florida has the highest risk due to its business significance and level of water consumption (relative to other Cigna locations).

This facility is currently identified as having “high” water stress using the WRI Aqueduct Tool.

## W4.2

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

---

### Country/Area & River basin

United States of America

Other, please specify

Texas Gulf Coast Basin, South Atlantic Gulf Basin, Carribean

### Type of risk & Primary risk driver

Physical

Severe weather events

### Primary potential impact

Reduction or disruption in production capacity

### Company-specific description

Increases in the frequency and severity of extreme weather events, such as hurricanes, typhoons, and wildfires, could impact our business services distribution capacities, and may cause damage to physical assets. Additionally, Cigna’s large supplier network of over 13,000 suppliers globally provide critical goods and services to support operations (including our information technology systems). Extreme weather events have the potential to cause supply chain disruptions, which could potentially impact our ability to provide health services (including pharmacy benefits) to our customers and clients.

Cigna is driven by an important mission to help improve the health, well-being, and peace of mind for those we serve. To deliver on our mission, we must be prepared to provide our services and offer our products virtually without fail. We also understand that climate change and environmental risks can pose unique challenges to clients and communities – specifically health and public health systems. A recent example were the wildfires, which impacted Cigna’s customers in California.

Execution on Cigna’s Customer Disaster Response Program also may result in making temporary policy changes, such as waiving various medical requirements, refilling prescriptions and expanding its help line, to proactively address customer service issues and provide personal assistance and support for all affected by a disaster.

Additionally, Cigna’s Employee Assistance Program (EAP) may open its telephone lines to offer access to trained clinicians via the telephonic EAP services to members of the impacted communities. We provide this access regardless of whether callers have

Cigna EAP or not. The EAP may also offer immediate access to on-site Critical Incident Services (CISD) support for Cigna clients.

Through the Cigna Foundation, we also invest in supporting disaster relief efforts for affected communities when extreme weather events occur. The Cigna Foundation provides support to communities impacted by extreme weather events through charitable contributions and partnerships with credible, leading disaster relief organizations.

**Timeframe**

4-6 years

**Magnitude of potential impact**

Low

**Likelihood**

More likely than not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

51,200,000

**Potential financial impact figure - minimum (currency)**

**Potential financial impact figure - maximum (currency)**

**Explanation of financial impact**

Estimated financial impact assumes the potential for an approximate 1% decrease in 2019 net income due to business interruptions, supply chain interruptions, demand implications, and repairs from hurricanes and other severe weather events.

**Primary response to risk**

Engage with customers

**Description of response**

We maintain an online Disaster Resource Center for first responders, health plan customers, and employer clients. The site is continually updated by our Employee Assistance Consultant team, which has intimate knowledge of our provider network and can make real-time updates to help impacted stakeholders.

Through our Customer Disaster Response Program, we offer access to trained clinicians; on-site Critical Incident support; and prescription transfers. We also expand our helpline to proactively address customer service issues and provide personal assistance and support for those affected.

Cigna's Business Continuity and Data Center Recovery plans sets forth procedures for

data recovery, continuation of business functions and the use of supporting technology to recover critical business processes. The plans are updated and documented annually. Cigna's Data Center Recovery plans are tested routinely with end-user evaluations of the restored systems as part of the testing protocol. Cigna's enterprise-wide recovery strategies are also tested on an annual basis.

Cigna's critical applications run in "hardened sites" protected by an emergency generator. We've also repatriated core elements of our recovery capability including infrastructure to recover the top prioritized business functions and related computer applications through data and server replication.

Our Corporate Security and Business Continuity teams work with all of our owned, leased and managed assets that are deemed to be business critical and develop risk profiles. Based on the risk profile, a recovery time objective (RTO) is determined – this is how quickly the location has to be operating at what capacity. Once the RTO is determined, appropriate business recovery solutions are designed for the location to meet that objective. All managed properties are also provided an emergency preparedness guide to assist them in not only preparing for an emergency event but also for managing one as it occurs.

Cigna also maintains a dedicated 24/7 toll free number for property managers to report critical incidents and immediately receive guidance and support in managing the event. When any event occurs within a pre-designated radius of the property, Cigna gets an email alert along with the senior leaders and property manager for that location. This allows us to receive an early warning system and permits us to proactively take measures to minimize the adverse impact of the event.

### **Cost of response**

5,000,000

### **Explanation of cost of response**

We estimate annual expenditures of approximately \$5 million based on (i) maintenance costs for the emergency generators at our facilities and for our data centers; (ii) costs associated with employee time and associated investments to maintain Cigna's Disaster Response, Employee Assistance, Business Continuity, and Data Center Recovery programs; and (iii) insurance and resiliency investments to protect our facilities from physical weather risks.

### **Country/Area & River basin**

United States of America

Other, please specify

All river basins in the United States (where we generated 90% of revenues in 2019)

### **Type of risk & Primary risk driver**

Reputation & markets

Increased stakeholder concern or negative stakeholder feedback



**Primary potential impact**

Reduction in capital availability

**Company-specific description**

Corporate reputation on performance related to environmental responsibility, particularly on issues related to climate and water, is increasingly important to Cigna's corporate employer clients as evidenced by the frequent occurrence of sustainability questions on RFPs for potential corporate clients and RFIs from existing ones.

Also, Cigna's reputation on performance related to environmental, social and governance (ESG) issues is becoming increasingly important to our employees, investors and other stakeholders. For example, a recent Cone study found that 83% of Gen Z respondents surveyed consider a company's purpose when deciding where to work. 87% of Gen Z respondents stated that they were inspired by environmental activism of Greta Thunberg.

Among investors, Cigna has observed increased investor interest in environmental and broader ESG issues over the past 12 months, even following the COVID-19 outbreak. Cigna has been included in the flagship Dow Jones Sustainability World Index for the past three consecutive years. In 2019, we were named as the industry leader for the second time in the assessment.

**Timeframe**

Current up to one year

**Magnitude of potential impact**

Low

**Likelihood**

Unlikely

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

51,200,000

**Potential financial impact figure - minimum (currency)**

**Potential financial impact figure - maximum (currency)**

**Explanation of financial impact**

Estimated financial impact assumes the potential for an approximate 1% decrease in 2019 net income should revenue, margins and cost of capital be adversely impacted by our reputation regarding water and broader environmental performance issues.

**Primary response to risk**

Engage with customers

### **Description of response**

Guided by our Strategic Sustainability Performance Plan, Cigna has made continued investments since 2014 to support our long-term water reduction targets. Specifically, we are focused on maximizing fixture potable water efficiency within buildings with the use of low-flow plumbing fixtures, sensors, and automatic controls, and deploying water-efficient landscaping and smart-efficiency irrigation technology.

Cigna closely monitors and responds to requests from corporate clients (including RFPs and RFIs) and requests related to climate change and corporate responsibility. We also actively engage employees to enhance continuous improvement in the implementation of sustainability programs, which include our GreenSTEPS employee engagement program. In addition to being internal advocates for Cigna's environmental sustainability efforts, Cigna's GreenSTEPS members also engage with their communities through local environmental projects. For example, members of the GreenSTEPS and Service Operations teams volunteered their time to help build the first production-scale aquaponics system near our corporate headquarters in Bloomfield, Connecticut.

Cigna has been a member, since inception, of the UN Global Compact's "Health is Everyone's Business" Action Platform. The platform convenes a broad coalition of stakeholders to develop and advance a global agenda for planetary health in business. The work of this coalition is focused on advancing human health by addressing health determinants related to climate and the environment.

Cigna has also recently completed a multi-dimensional materiality assessment to inform the advancement of our Cigna Connects corporate responsibility platform over the next decade. Through interviews, surveys, and focus groups with stakeholders across the country, we connected with employees, employer clients, customers, healthcare providers, executive leadership, our board of directors, suppliers, thought leaders, and community partners.

### **Cost of response**

40,700,762

### **Explanation of cost of response**

Over the past four years, we have invested nearly \$41 million in completed environmental footprint projects that address the linkages between water consumption and greenhouse gas emissions in our global real estate portfolio.

Please note that this investment figure largely represents HVAC system replacements that were undertaken as part of Cigna's comprehensive, multi-year renovation at our corporate headquarters. We also invest in professional services to support our ESG performance measurement and reporting efforts.

## W4.2c

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>Potential risks within our value chain include (1) potential supply chain disruptions from hurricanes and floods, (2) potential correlations between the cost of water and the price of pharmaceuticals, and (3) community health risks associated with declining water quality and climate change in the key markets where we operate.</p> <p>No substantial impact is currently identified for these types of potential value chain. Quantitatively, we generally consider a risk to be substantive based on a scenario where at least 1% of our net income could be impacted.</p> <p>To determine whether a risk is substantive, the probability over a 5-year time horizon is the most significant factor that we have applied. The second most significant factor is the anticipated frequency for risk.</p> <p>Our mission is to improve the health, well-being, and peace of mind of those we serve. As such, we take a precautionary approach to our environmental sustainability efforts.</p> <p>Cigna’s long-term environmental strategy is focused on advancing planetary health, specifically the importance of clean air, water, soil, and food.</p>

## W4.3

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

### W4.3a

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Resilience

**Primary water-related opportunity**

Increased resilience to impacts of climate change

### **Company-specific description & strategy to realize opportunity**

Cigna provides services to managed care organizations, health insurers, third-party administrators, union-sponsored benefit plans, workers' compensation plans, government health programs, providers, clinics, hospitals and others. We believe that further development of our Cigna Connects corporate responsibility platform will foster innovation; engage our employees, corporate clients, customers and communities; and help to reduce operational costs. Specifically, we're focused on helping to increase community resilience against climate and environmental risks in the markets we serve and near our corporate headquarters in Connecticut. For example, we engage our employees through Cigna's Green Sustainability Team for Environmental Protection and Stewardship (GreenSTEPS) program, which gives employee volunteers the opportunity to work together to carry out localized environmental projects.

Other financial benefits may include (1) attracting investors who are increasingly interested in environmental, social and governance (ESG) performance and (2) establishing competitive advantage with customers in the markets that we serve.

We see opportunity in continuing to deepen our engagement with leading experts on the intersection between climate change, planetary health and human health. For example, as part of Cigna's recent multi-dimensional stakeholder assessment, we convened some of the nation's most prominent leaders on the intersection between the planetary and human health. The information, insights and recommendations obtained from engagement with these experts will be used to inform the evolution of Cigna's environmental programs and our Cigna Connects platform.

We continue to pursue green building certifications and improved building energy and water performance. For example, Cigna now has 21 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio, and 42 domestic sites enrolled and tracked in the U.S. Environmental Protection Agency's ENERGY STAR® program.

Cigna is in the process of developing next-generation ESG targets for the year 2030, which will reflect our combination with Express Scripts and its affiliates, and to guide our decarbonization path forward over the next decade. Additionally, our business model is also transforming to focus on digital health and preventive care, which may provide further opportunities to respond to increased consumer interest in climate change.

### **Estimated timeframe for realization**

4 to 6 years

### **Magnitude of potential financial impact**

Low

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

51,200,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact**

Estimated financial impact assumes the potential for an approximate 1% increase in 2019 net income should margins, revenues and cost of capital be positively impacted by our energy and climate change strategy in addition to our broader Cigna Connects corporate responsibility platform.

## W5. Facility-level water accounting

### W5.1

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

---

**Facility reference number**

Facility 1

**Facility name (optional)**

Visalia, California call-claim center

**Country/Area & River basin**

United States of America  
 Sacramento River - San Joaquin River

**Latitude**

36.3216

**Longitude**

-119.35062

**Located in area with water stress**

Yes

**Total water withdrawals at this facility (megaliters/year)**

9.12

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

9.12

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

9.12

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**

Our call-claim center in Visalia, California is currently identified as having “extremely high” water stress using the WRI Aqueduct Tool.

This site has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations).

To minimize water consumption at this location, we have installed low-flow faucets, urinals, and toilets. The site also has drought tolerant plants that use drip irrigation around the exterior of the building; and uses water filtration devices at each sink for hot and cold water supply, instead of relying on separate filtrations units.

---

**Facility reference number**

Facility 2

**Facility name (optional)**

Cigna HealthCare of Arizona

**Country/Area & River basin**

United States of America  
Colorado River (Pacific Ocean)

**Latitude**

33.47344

**Longitude**

-112.22184

**Located in area with water stress**

Yes

**Total water withdrawals at this facility (megaliters/year)**

5.06

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

5.06

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

5.06

**Comparison of total consumption with previous reporting year**

About the same

**Please explain**

Our Cigna HealthCare of Arizona site in Phoenix, Arizona is currently identified as having “extremely high” water stress using the WRI Aqueduct Tool.

This site has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations).

To minimize water use at this site, we use drip irrigation and drought tolerant plants in the landscaping.

---

**Facility reference number**

Facility 3

**Facility name (optional)**

Port St. Lucie, Florida Call-Claim Center

**Country/Area & River basin**

United States of America

Other, please specify

WRI Major Basin: Gulf of Mexico, North Atlantic Coast; WRI Minor Basin:

Everglades

**Latitude**

27.28042

**Longitude**

-80.29579

**Located in area with water stress**

Yes



**Total water withdrawals at this facility (megaliters/year)**

6.56

**Comparison of total withdrawals with previous reporting year**

This is our first year of measurement

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

6.56

**Total water discharges at this facility (megaliters/year)**

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

**Discharges to brackish surface water/seawater**

**Discharges to groundwater**

**Discharges to third party destinations**

**Total water consumption at this facility (megaliters/year)**

6.56

**Comparison of total consumption with previous reporting year**

This is our first year of measurement

**Please explain**

Our call-claim center in Port St. Lucie, Florida is currently identified as having "high" water stress using the WRI Aqueduct Tool.

This site has been prioritized for water risk due to its business significance and level of water consumption (relative to other Cigna locations).

The site has a chiller plant, which contributes to large volume of water evaporation from this plant.

Condensate water from the roof top units are returned back into the cooling tower to help recycle and reuse the water, reducing energy cost for cooling and sewer water discharge.

Additionally, we have installed low flow faucets and fixtures.

## **W5.1a**

**(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?**

### **Water withdrawals – total volumes**

---

**% verified**

Not verified

### **Water withdrawals – volume by source**

---

**% verified**

Not verified

### **Water withdrawals – quality**

---

**% verified**

Not verified

### **Water discharges – total volumes**

---

**% verified**

Not verified

### **Water discharges – volume by destination**

---

**% verified**

Not verified

### **Water discharges – volume by treatment method**

---

**% verified**

Not verified

### **Water discharge quality – quality by standard effluent parameters**

---

**% verified**

Not verified

**Water discharge quality – temperature**

**% verified**

Not verified

**Water consumption – total volume**

**% verified**

Not verified

**Water recycled/reused**

**% verified**

Not verified

## W6. Governance

### W6.1

**(W6.1) Does your organization have a water policy?**

Yes, we have a documented water policy that is publicly available

### W6.1a

**(W6.1a) Select the options that best describe the scope and content of your water policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Company water targets and goals Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation	Cigna’s Environmental Policy Statement is publicly available at: <a href="https://www.cigna.com/about-us/corporate-responsibility/environmental-policy-statement/">https://www.cigna.com/about-us/corporate-responsibility/environmental-policy-statement/</a> .  Cigna’s newly refreshed Environmental Policy Statement discusses our water stewardship activities.  The Policy was formally reviewed by the Corporate Governance Committee of our Board of Directors prior to publication and Board-level oversight of the Policy is provided by the Corporate Governance Committee.  Cigna’s Managing Director of Corporate Real Estate is responsible for annually reviewing and updating Cigna’s Environmental Policy.   1

		Recognition of environmental linkages, for example, due to climate change	
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 1Environment Policy Statement.pdf

## W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

### W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Board-level committee	<p>The highest level of responsibility within Cigna Corporation for the oversight of climate-related issues is held by the Corporate Governance Committee of our Board of Directors.</p> <p>Specific responsibilities of the Corporate Governance Committee include oversight over the Cigna Connects corporate responsibility platform and related sustainability efforts (as stated on page 26 of our 2020 Proxy Statement), which include oversight of the Environmental Policy Statement.</p>

### W6.2b

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p>	<p>As part of the Corporate Governance Committee's oversight over the Cigna Connects corporate responsibility platform and related sustainability efforts, the Committee receives formal updates on our environmental strategies, plans and policies. For example, Cigna's newly refreshed Environmental Policy, which references climate risks and opportunities, was formerly reviewed by the Committee prior to publication.</p>

		<p>Cigna has implemented practices so that the Board and its committees are regularly briefed on issues related to the Company's risk profile. Environmental risks, including those associated with climate change, are now an explicit risk factor, within Cigna's enterprise risk register.</p> <p>Cigna's Chief Risk Officer meets with the Audit Committee regularly during its executive sessions and provides reports to the Board at least annually. These reports are designed to provide visibility to the Board about the identification, assessment and management of critical risks, and management's risk mitigation strategies. Water-related issues may be addressed in the context of Cigna's areas of focus, which include strategic, operational, financial reporting, succession and compensation, cyber-security, compliance, reputational, governance and other risks. Periodically, external surveys, risk trends, and other pertinent content are shared with the Audit Committee during regular executive sessions.</p> <p>Cigna's full Board also maintains oversight on strategic, financial and execution risks and exposures associated with Cigna's business strategy, including impact of changes to laws and regulations, significant litigation and regulatory exposures and other current matters that may present material risk to financial performance, operations, infrastructure, plans, prospects, reputation, acquisitions, and divestitures.</p> <p>Cigna's Senior Director of Corporate Responsibility also works with the Office of Corporate Secretary to keep our entire Board apprised of relevant climate- and water-related risks in addition to broader environmental, social and governance trends.</p>
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### W6.3

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

---

**Name of the position(s) and/or committee(s)**

Corporate responsibility committee

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Annually

**Please explain**

Established in 2014, the Cigna Connects Corporate Responsibility Governance Council is a cross-functional committee comprised of approximately 20 leaders across the company. Our Corporate Secretary, Enterprise Risk Director, Corporate Services Director, Corporate Global Real Estate Manager, Chief Procurement Officer, and Senior Director of Corporate Responsibility all sit on the Governance Council. The Governance Council provides input on Cigna's policies, initiatives and reporting relative to corporate responsibility, including climate change. The Governance Council typically convenes as a full group on an annual basis. Our Senior Director of Corporate Responsibility also regularly meets with Council members – including Cigna's Corporate Secretary, Enterprise Risk Director, Corporate Real Estate Director, and Senior Vice President of Supply Chain Management – throughout the year to support the ongoing identification and monitoring of climate-related risks and opportunities at Cigna.

**W6.4**

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	<b>Provide incentives for management of water-related issues</b>	<b>Comment</b>
Row 1	No, and we do not plan to introduce them in the next two years	The management of material environmental, social and governance issues (including water) is central to Cigna's mission, which is to improve the health, well-being and peace of mind of the people we serve. Because Cigna is not a significant water user, we do not expect that specific water-related incentives would be introduced at the C-suite or Board level in the next two years. Meeting our environmental targets, which includes water performance targets, is an incentivized performance indicator in Cigna's defined annual performance objectives for our Corporate Real Estate teams. Communicating Cigna's strategy and performance internal and externally is an annual performance objective for Cigna's Senior Director of Corporate Responsibility.

**W6.5**

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, other

## W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

In 2019, Cigna belonged to the following industry trade associations to which the Company paid \$50,000 or more in annual dues: America’s Health Insurance Plans, Association of Behavioral Health & Wellness; Association of California Life & Health Insurance Companies; The Business Roundtable; Connecticut Association of Health Plans; Florida Association of Health Plans; Healthcare Distribution Alliance; Massachusetts Association of Health Plans; National Association of Dental Plans; New Jersey Association of Health Plans; Pharmaceutical Care Management Association; U.S. Chamber of Commerce; The Insurance Federation of Pennsylvania, Inc.; and Virginia Association of Health Plans.


With the exception of the Business Roundtable and U.S. Chamber of Commerce, these organizations typically do not have explicit environmental policy positions.

Our processes to ensure that indirect activities are consistent are as follows: (1) Prior to entering into new affiliations or expanding the scope of current affiliations, an organization’s policy positions are among the several factors that we consider. (2) Through membership and committee participation, we are able to monitor whether their activities are consistent with our climate change and water security strategy. (3) Additionally, we utilize our annual ESG reporting process as an opportunity to further review and assess whether the trade association policy positions are consistent with our own water policies and commitments.

## W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

 Cigna 2020 Proxy.pdf

## W7. Business strategy

### W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
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<p>Long-term business objectives</p>	<p>Yes, water-related issues are integrated</p>	<p>5-10</p>	<p><b>ISSUES INCORPORATED:</b> As a global health services company, Cigna considers the management of risks and opportunities associated with climate, water and health (including water access and quality) to be a significant aspect of its corporate responsibility platform and a factor that can affect our business strategy as a whole.</p> <p><b>INFLUENCE ON PLANNING:</b> Our mission is to improve the health, well-being, and peace of mind of the people we serve. As such, we make the connection between personal health and the health of our environment. We also aim to serve as a connector and catalyst for change to protect global access to healthy air, water, soil, and food.</p> <p>In 2020, we launched a new enterprise business strategy that is centered around Cigna’s role to serve as a champion for a health care system that is affordable, predictable and simple. We plan to lead by significantly expanding and investing in our current solutions and tools; and partnering to ensure clients and customers have access to an unmatched breadth of capabilities that address future complex health needs.</p> <p>As we execute on our new enterprise business strategy, we are cognizant of our responsibility to make the connection between personal health and the health of our planet. To support our business strategy, we are focused on (1) reducing our water consumption; and (2) engaging with our customers, suppliers, communities and other key stakeholders to support our Cigna Connects corporate responsibility platform.</p>
<p>Strategy for achieving long-term objectives</p>	<p>Yes, water-related issues are integrated</p>	<p>5-10</p>	<p><b>ISSUES INCORPORATED:</b> We consider a range of issues, including changes in temperatures, precipitation patterns, and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, (3) heat exposure, and (4) declining crop yields.</p> <p>We also consider how water-related risks could also influence a series of socioeconomic challenges and opportunities that would likely impact the delivery of healthcare. Examples could include health and hygiene issues due to migration, malnutrition, and increases in</p>



			<p>water-borne and other diseases.</p> <p><b>INFLUENCE ON PLANNING:</b> Cigna recently completed a multi-dimensional stakeholder assessment, where we convened some of the nation’s most prominent leaders on the intersection between the planetary and human health.</p> <p>The information, insights and recommendations obtained from engagement with these experts will be used to inform Cigna’s strategy for achieving long-term water objectives. For example, Cigna is in the process of developing next-generation water targets for the year 2030, which will reflect our combination with Express Scripts and its affiliates.</p>
Financial planning	Yes, water-related issues are integrated	5-10	<p><b>ISSUES INCORPORATED:</b> The most significant issues that we consider are (1) the need to mitigate risks associated with potential increases in the cost of water, and (2) the need to reduce Cigna’s operational footprint from a reputational perspective as we work to meet our environmental performance targets.</p> <p><b>INFLUENCE ON PLANNING:</b> Water efficiency opportunities often influence our decision to make capital expenditures.</p> <p>Guided by our Strategic Sustainability Performance Plan, Cigna has made continued investments since 2014 to support our long-term water reduction targets. Specifically, we are focused on maximizing fixture potable water efficiency within buildings with the use of low-flow plumbing fixtures, sensors, automatic controls, and water-efficient landscaping and smart-efficiency irrigation technology.</p> <p>We also continue to increase the number of LEED® certified buildings in our global real estate portfolio. For example, Cigna now has 21 LEED® certified properties (including six LEED® Gold and three LEED® Platinum properties) in our global real estate portfolio.</p>

## W7.2

**(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

Row 1

**Water-related CAPEX (+/- % change)**

0

**Anticipated forward trend for CAPEX (+/- % change)**

0

**Water-related OPEX (+/- % change)**

0

**Anticipated forward trend for OPEX (+/- % change)**

0

**Please explain**

Reported figures reflects Cigna’s limited water consumption compared to manufacturers and other companies with similar revenues and employee count.

Also, please note in 2019, our global real estate portfolio nearly doubled following our combination with Express Scripts and affiliates. As such, comparisons to the prior year’s spend would be not applicable.

Cigna intends to track and report on CAPEX and OPEX trends in future disclosures.

## W7.3

**(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?**

	<b>Use of climate-related scenario analysis</b>	<b>Comment</b>
Row 1	Yes	<p>CLIMATE RELATED SCENARIO ANALYSIS: In 2017, we set a second generation target to achieve a 20% absolute reduction in Scope 1 and 2 emissions from 2013-2020.</p> <p>This 2020 target is based on an absolute reduction of 2.85% annually, which exceeds the degree of ambition advocated for science-based targets within 2-degree scenario using the absolute contraction method.</p>

		<p>We also have included our entire global real estate portfolio in this analysis, and considers risks and opportunities with our supply chain and downstream Scope 3 emissions associated with health services.</p> <p>WATER-RELATED OUTCOMES: In 2017, we also set a complementary absolute water reduction target. Cigna is in the process of setting next-generation water targets for the year 2030, which will reflect our combination with Express Scripts and its affiliates and guide our path forward over the next decade.</p>
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### W7.3a

**(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?**

Yes

### W7.3b

**(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization’s response?**

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	2DS	<p>We consider a range of potential opportunities driven by physical climate risks, including changes in temperatures, precipitation patterns and sea levels. Specifically, we consider the potential for changes in physical climate parameters to present a broader series of global public health challenges, such as those relating to (1) extreme weather events, (2) decreases in water supply, and (3) declining crop yields. In the short-term, extreme weather events have been prioritized as our greatest physical risk.</p> <p>We also consider how changes in physical and transition risks could also influence a series of socioeconomic challenges and opportunities that would likely impact the delivery of healthcare. Examples could include</p>	<p>Cigna recently completed a comprehensive water risk assessment that covered our entire global real estate portfolio. As part of this water risk assessment, we considered future scenarios regarding baseline water stress, increases in water costs and potential community impacts associated with water scarcity.</p> <p>We expect to leverage the findings from the water risk assessment to develop context-based, localized water strategies over the next decade.</p> <p>Cigna continued to serve as an active participant in the UN Global Compact’s “Health is Everyone’s Business” Action Platform, which convenes a broad coalition of stakeholders to address health determinants related to climate,</p>

		<p>health and hygiene issues due to migration, malnutrition, and increases in water-borne and other diseases. Additionally, we consider how these negative societal and environmental impacts could present opportunities where Cigna, in particular, could provide products and services to help respond to these changes in physical climate parameters across the markets we serve.</p>	<p>water and the environment. We also support local environmental projects as part of our GreenSTEPS employee engagement program.</p> <p>Additionally, Cigna's health services are evolving to further emphasize digital health and preventive care, which may help to support global and local challenges to water-related risk scenarios that we have considered.</p>
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## W7.4

### (W7.4) Does your company use an internal price on water?

#### Row 1

#### Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

#### Please explain

Because Cigna is not a significant water user, we do not expect to introduce an internal price on water in the next two years.

As a health services company, we remain highly focused on monitoring externalities at the intersection of water access, water quality, climate change, and human health.

Over the next decade, we plan to execute on context-based, localized water strategies to address these types of externalities.

## W8. Targets

### W8.1

#### (W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals	Targets are monitored at the corporate level	<p>In 2017, we set a second-generation target to achieve a 10% absolute reduction in water from 2013-2020.</p> <p>Cigna is in the process of developing next-generation water targets for the year 2030, which will (1) reflect our combination with Express Scripts and its affiliates, (2)</p>

			<p>complement our decarbonization path forward over the next decade, and (3) support our mission to help improve the health, well-being, and peace of mind for those we serve.</p> <p>We also expect to use the results from Cigna's first-ever, portfolio-wide water risk assessment to develop context-based water reduction goals at priority sites.</p> <p>Additionally, we will be incorporating feedback from Cigna's most recent materiality assessment – where we engaged some of the nation's most prominent leaders on the intersection between the environment, human health, and planetary health – to develop our 2030 water targets.</p> <p>Monitoring performance against Cigna's current and future water targets is overseen by Cigna's (1) Global Real Estate team, (2) Senior Director of Corporate Responsibility, (3) cross-functional Corporate Responsibility Governance Council; and (4) Corporate Governance Committee at the Board level.</p>
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## W8.1a

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

### Target reference number

Target 1

### Category of target

Water withdrawals

### Level

Company-wide

### Primary motivation

Reduced environmental impact

### Description of target

In 2017, we set a second-generation target to achieve a 10% absolute reduction in water from 2013-2020.

### Quantitative metric

Absolute reduction in total water withdrawals

### Baseline year

2013

**Start year**

2017

**Target year**

2020

**% of target achieved**

0

**Please explain**

Reported progress against Cigna's 2020 targets has been estimated based on legacy Cigna locations.

Please note that our absolute 2020 water consumption is higher than our 2013 baseline due to Cigna's combination with Express Scripts and its affiliate.

Data has also been extrapolated for some properties, and data coverage is limited to a portion of our U.S. real estate portfolio. For example, some of our smaller, leased offices are currently excluded from our water boundary.

We continue to work toward improving data integrity of water usage and have implemented guidelines for improvements with vendors to avoid data discrepancies.

We are also focused on continuing to deploy best practices, including efficient water distribution systems and low-flow fixtures across our properties.

## W9. Verification

### W9.1

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

No, we do not currently verify any other water information reported in our CDP disclosure

## W10. Sign off

### W-FI

**(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## W10.1

**(W10.1) Provide details for the person that has signed off (approved) your CDP water response.**

	Job title	Corresponding job category
Row 1	Senior Director of Corporate Responsibility	Environment/Sustainability manager

## W10.2

**(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].**

No

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

**Please confirm below**

I have read and accept the applicable Terms